

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON LOCAL GOVERNMENT

Call to Order: By **CHAIRMAN MARK NOENNIG**, on January 18, 2001 at 3:00 P.M., in Room 472 Capitol.

ROLL CALL

Members Present:

Rep. Mark Noennig, Chairman (R)
Rep. Jeff Mangan, Vice Chairman (D)
Rep. Joan Andersen (R)
Rep. Eileen Carney (D)
Rep. Larry Cyr (D)
Rep. John Esp (R)
Rep. Dennis Himmelberger (R)
Rep. Hal Jacobson (D)
Rep. Rick Laible (R)
Rep. Jesse Laslovich (D)
Rep. Bob Lawson (R)
Rep. Michelle Lee (D)
Rep. Brad Newman (D)
Rep. Ken Peterson (R)
Rep. William Price (R)
Rep. James Whitaker (R)
Rep. Cindy Younkin (R)

Members Excused: Rep. Rod Bitney, Vice Chairman (R)

Members Absent: None.

Staff Present: Eddye McClure, Legislative Branch
Pati O'Reilly, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB 221, 1/18/2001; HB 190,
1/18/2001
Executive Action: HB 83; HB 80; HB 27: HB 221

HEARING ON HB 190

Sponsor: Representative John Witt, HD 89

Proponents: Clint Jacobs, Dry Prairie Rural Water Project
Ann Marie Robinson, Chief of Regional Water
Clinics
Dan Keil, Chairman of North Central Regional
Water Authority
Tom Stelling, MT Assn of Conservation Districts
Steve Wade, Mt. Rural Systems

Opponents: None

Opening Statement by Sponsor:

Representative John Witt, HD 89, stated the purpose of the bill will help north central and north eastern Montanans fund projects by using a percentage of debt that is already established. Districts can use the debt as a part of funding for a portion of the new debt-load. This project also brings economic development to northern and northeastern Montana, which involves about 200 million dollars with each project, making them important to the community and areas of Montana. Many of the community members have to use wells, and by the looks and smell of it, it seems to be a negative aspect. {Tape : 1; Side : A; Approx. Time Counter : 0 - 1}

Proponents' Testimony:

Clint Jacobs, Dry Prairie Rural Water Project, states that the project covers about 5% of the land area of Montana, and when the two projects are built in about 10 to 12 years, 10% of the Montana lands will be covered. The project consists of farmers and ranchers in the area who now have their own wells. The cost of building is sixty eight million, 76% will be federally funded, 12% state funded, and 12% locally funded. The project will cost about 200 million total. For the authorization of this project it is necessary to go to Congress each year the project is in progress so that funding is addressed. There is strong local support, both rural and urban, to continue with the project. In terms of economic development 50 million dollars will be paid out and other various benefits. He urges the members to vote for this bill because it is very costly for community members when they pay for both systems that are unusable and new systems.
EXHIBIT (loh14a01) {Tape : 1; Side : A; Approx. Time Counter : 1 - 9.5}

Ann Marie Robinson, Chief of Regional Water Clinics, explains the Rocky Boy Water system as compared to the proposed system. It allows access by many reservations for good quality drinking water, especially in an area plagued with poor water and an area that has problems with complying with EPA regulations. The area has invested in numerous water lines that are developed by water districts;

therefore, the system will be serving 20 systems. The systems have already agreed on allowing Rocky Boy the water authority. The Chief of Regional Water Clinics, provides the state match for these systems; each requires a dollar for dollar match for local funding. This bill allows us to use existing debt, using the debt on the systems over the 200% target rate as a way to help match funding as a transfer to grants and then to savings, to aid the increasing rates. **EXHIBIT(loh14a02) EXHIBIT(loh14a03) EXHIBIT(loh14a04) {Tape : 1; Side : A; Approx. Time Counter : 9.5 - 16.3}**

Dan Keil, Chairman of the North central Regional Water Authority, states that the EPA has reduced the level of arsenic that is able to be in the water systems from 50 parts/billion to 10 parts/billion. There will be several communities that will have to install treatments if the bill doesn't go through. The bill will allow communities to use their existing debt as credit towards the completion and obligations they have to meet. **{Tape : 1; Side : A; Approx. Time Counter : 16.3 - 19.2}**

Steve Wade, Mt. Rural Water Systems, supports HB 190 because of the importance of clean drinking water and economic development. A good, clean water supply is the cornerstone for economic development. **{Tape : 1; Side : A; Approx. Time Counter : 19.2 - 20.3}**

Tom Stelling, Montana Association of Conservation Districts, has been involved in forming the project over the past two years. The urban areas of Montana are lucky enough to have clean water, whereas many of the rural parts don't have adequate water. Montana is one of the last states to get involved in the water projects, and he believes that this is just a start. **{Tape : 1; Side : A; Approx. Time Counter : 20.3 - 21.9}**

Opponents' Testimony: None

Questions from Committee Members and Responses:

Representative Peterson asked if Conrad, Chester, and Shelby will tie in and cease getting water from Lake Francis and other area lakes. **Keil** said that the project acts as a sole source for those water systems presently in the North central project. You can run into a bookkeeping nightmare with EPA. You would hopefully reduce the number of water sources to one. **Peterson** asked what the time frame is on the construction of the project. **Keil** said they are in the middle of going to Congress for the operation of the plan, but needed the Rocky Boy contract to be approved. **Peterson** asked about a bill proposed by Rep. Holden that appropriates an initial intake of the lake for the water in Conrad, and wanted to know if **Keil**

knew about bill. **Keil** is somewhat familiar with the bill. **Peterson** asked if there is any arsenic in the dam. **Keil** replied that there isn't any arsenic in the dam. There is some in the Missouri though, about 10 parts/billion.

Rep. Mangan asked if a current restriction endowment has been used for water projects. **Rep. Witt** replied stating that he believes an endowment was used last session. It was created then and they are currently asking for judicial funds over the next two years. **Mangan** was trying to figure out if anyone could actually match this proposal dollar for dollar. **Robinson** replies that the fund set up for the Treasure State Water Fund is separate from the traditional water project they have, which was funded in 1992. There are actually two separate funds within the coal tax trust fund. They anticipate that in the year 2013 there will be 52 million dollars in the T-sep. regional water fund that would generate enough revenue for both this system and for the North central system. Initially, when we came two years ago, we anticipated a 20 million dollar local match. With some of the new legislation that Congress has passed, along with some of legislation passed with the Clean Water Act, we anticipate that our share will go from 50% to 75%. **Peterson** asked if Conrad Burns has information from President Clinton or Bush on the federal money. **Robinson** states that Conrad has talked to Sen. Conrad Burns about the situation at Lake Francis, but their in a more immediate situation. They are not sure if the newly elected President is supporting it. **Rep. Noennig** asked why they needed sub-paragraph two. **Robinson** said that right now the T-sep. Water Foundation is a dollar for dollar match that has to be of local funds. They allow us to use the debt that is currently on each system as part of the match.

Chairman Noennig states that from the existing expenditures, they don't meet the requirement of local funds that exist in bill, and that they don't match up as the bill exists now. **Clint Jacobs** replies stating that **Rep. Noennig** is correct, the existing bill limits being able to pick up the debt. **Chairman Noennig** said that dollars could be debt, and **Jacobs** must be assuming that it wasn't covered by original statute. **Clint Jacobs** states that it is for the construction of the regional water fund. **Rep. Noennig** asked why when the bill was enacted were the previous systems not included. **Clint Jacobs** states they hesitated to tell people about plan, because of the increase in rates. **Rep. Noennig** said that they tried to change the plan when it didn't work the first time. You had the plan for local match, dollar for dollar. When you tried to use the funds, you received resistance, so you went to other states and got the plan to use existing debts. **Jacobs** states that they still need dollar for dollar matches and loan money for the 20 million dollar construction. This will allow them to get 2.5

million dollars that they can pass the savings on to the systems. **Rep. Noennig** replied that as a result he believes that a lower percentage of the matching funds will be neither raised funds, but will be previously borrowed funds. It was brought to the legislature because last time attempted he received resistance towards the funding. **Rep. Witt** said that this proposal was to satisfy the part where communities thought they were being penalized with the rate. The money going into this is state and federal money, including the local match. The credit on the local match will have 25% of the existing debt to cover the match, but they will still have to come up with the match. **Chairman Noennig** asked if Sponsor has any resistance to the proposal. **Rep. Witt** replies by stating that it has taken a couple of years to come up with this plan. When looking at numerous plans from other states, this looked like the best idea.

Rep. Price would like to be clarified on the benefits of using debt protection. **Robinson** said that the local match will be a debt, because they will have to get some sort of loan for the match. This allows them to get more funding so they can reduce the loan amount and pass that savings on to the systems that exceed a target rate of 200%. It is debt-to-debt.

Rep. Peterson asked if any of the infrastructures will be used for the new system from existing communities. For example there is a 20 mile range from Tiger Dam to Chester used for providing water. **Robinson** said that many of the infrastructures currently in place will be utilized and some will have to go to the point of source. They will utilize as best they can the existing systems. In this case, they are looking at a new line all the way to Chester, as this line needs to be upgraded. *{Tape : 1; Side : A; Approx. Time Counter : 21.9 - 30} {Tape : 1; Side : B; Approx. Time Counter : 0 - 7.6}*

Closing by Sponsor: **Rep Witt** wanted to explain the situation in the Valier and Conrad water system; it is due to the snow pack. Last summer it was looked at as an emergency, they had some problems supplying Conrad with water. The point of the bill would be to extend the pipeline to a deeper area of the lake to supply that water. He believes that the bill has a big impact on a lot of rural communities and their water systems. They would like to get stated on HB 40 to be heard in Natural Resource committee, but need to change the date to later in the session. *{Tape : 1; Side : B; Approx. Time Counter : 7.6 - 9.2}*

HEARING ON HB 221

Sponsor: Representative John Witt, HD 89

Proponents: Rich Clough, Fish Wildlife and Parks
Rich Morris, Mayor of Fort Benton
John Lesley, River Plains Society

Opponents: none

Opening Statement by Sponsor:

Representative John Witt, HD 89, stated HB 221 was developed as a result of a problem between the city of Fort Benton and Fish Wildlife and Parks, in 1988, involving an agreement to establish the Montana agricultural center. The reason the city was involved was the board of directors weren't considered an entity at that point. This bill will remove the community of Fort Benton from that agreement, and turn it over to Fish Wildlife and Parks. **{Tape : 1; Side : B; Approx. Time Counter : 9.2 - 16.7}**

Proponents' Testimony:

Rich Clough, Montana Fish Wildlife and Parks, submitted written testimony. **EXHIBIT(loh14a05){Tape : 1; Side : B; Approx. Time Counter : 16.7 - 18.5}**

Rich Morris, Mayor of Fort Benton, would like to speak in support of the bill. The actual operation management is the Recreation Park's responsibility. The organization has done a wonderful job. The advantage of this bill would be direct negotiations between the state of Montana and the River Plains Society. **{Tape : 1; Side : B; Approx. Time Counter : 18.5 - 21.2}**

John Lepley, River Plains Society, would like to see this change so they are working directly with Fish Wildlife and Parks. They have had a 10 year lease, and haven't had any problems. It would clean up the legislation if they could work directly with HB 221. **{Tape : 1; Side : B; Approx. Time Counter : 21.2 - 23}**

Opponents' Testimony: none

Questions from Committee Members and Responses:

Rep Laible asked if this was one of the only Fish Wildlife and Park's museum that is free to the taxpayer. **Lesley** replied by stating that is correct. **Rep. Laible** asked how he felt about

taking over the rest of the museums. **Lesley** replied by stating that they have a considerable amount of credibility.

Chairman Noennig asked why a local government entity is included in the bill with a nonprofit organization? Are they anticipating doing something different in the future. **Rep. Witt** replied the entities put into place were a result of the contract. **Lesley** said that when the original bill passed their committee was known as the Community Improvement Association, and as they grew they needed a separation of entities. Their responsibility in Fort Benton is all of the historical properties. {Tape : 1; Side : B; Approx. Time Counter : 23 - 26.2}

Closing by Sponsor:

Rep Witt believes that this is a good bill. It is good for the community, it's what the folks of Fort Benton as well as Fish Wildlife and Parks want. Tape : 1; Side : B; Approx. Time Counter : 26.2 - 28.4

EXECUTIVE ACTION ON HB 83

Motion: Rep. Andersen moved that HB 83 DO PASS. {Tape : 1; Side : B; Approx. Time Counter : 28.4 - 30}

Discussion:

Rep. Mangan checked with both Nancy Sweeney and Kathy Otto, currently under state law, under title 2, section 6, everything is a public record and can't be destroyed as of now.

Motion/Vote: REP. ANDERSEN moved that HB 83 DO PASS. Motion carried unanimously. 18-0. {Tape : 2; Side : A; Approx. Time Counter : 0 - 1.6}

EXECUTIVE ACTION ON HB 27

Motion: Rep. Mangan moved that HB 27 DO PASS. {Tape : 2; Side : A; Approx. Time Counter : 1.6 - 3.7}

Discussion:

Rep. Noennig explained the packet that he was given in opposition of the bill. **EXHIBIT**(loh14a07)

The committee wants the amendment to say "it provides for exceptions for approved activities" on line 16. Some of the exceptions are provided in the packet. The draft from **Rep. Musgrove** on line 23 says that you can be punished by a fine of \$75 or by a sentence of 10 hrs of community service, or both. In title 45, section 1, it says you have to prove a mental state to prosecute. The problem with this is you can't levy a fine and have community service, or both. **Musgrove** decided to have it be an absolute liability crime, which means someone violating the law is automatically guilty without having to prove a mental state.

Rep. Younkin asked if the statute in existing law, has a provision for the absolute liability. Does it mean that the county attorney would have made an adjustment. **Mangan** states that it doesn't have an absolute liability.

Motion/Vote: REP. YOUNKIN moved that HB 27 BE AMENDED. Motion carried unanimously. **EXHIBIT**(loh14a06) {Tape : 2; Side : A; Approx. Time Counter : 3.7 - 10.6}

Motion/Vote: REP. MANGAN moved that HB 27 DO PASS AS AMENDED. Motion carried 16-2 with Lee and Andersen voting no. {Tape : 2; Side : A; Approx. Time Counter : 10.6 - 11.9}

EXECUTIVE ACTION ON HB 80

Motion: Representative Mangan moved that HB 80 DO PASS {Tape : 2; Side : A; Approx. Time Counter : 11.9 - 12.5}

Discussion:

Rep. Mangan states that this bill requires people to give their location address, and not just their post address when they register.

Rep. Newman wants to know why the change will assist in the identification of the people. He wants to know if they will gain anything from it. **Rep. Younkin** states that the best example is on the board of registration card. She wants to know how you determine the precincts of the individual you are mailing too, if there isn't a postal address available. **Rep. Andersen** said it shouldn't be a problem for people who live in the same house as there is a permanent physical address. It is important for the election administrator to know what precinct you live in. **Rep. Laible** doesn't think the intent of the bill is to increase the number of voters, but instead to identify the voters. **Rep. Peterson** made it clear that all the examples that have been shown are for people on

the reservations. We have no control over the people on these reservations, except to give notice.

Rep. Laslovich asked what the bill does. **Rep. Mangan** replied, that it isn't a bill to increase the ability to vote, but instead, educating individuals to properly identify themselves on the registration cards. They need to declare specific address. The answer is education on the reservation or anywhere. The other section of the bill states that they have to complete an application.

Rep. Price said that he agrees with **Rep. Mangan** about the focus on education that this bill presents. Many residents of the reservations don't have addresses or don't give out their addresses. **Rep. Laible** responds by disagreeing with the last comment. What the bill does is clearly identify what has to take place for the proper notification to correctly identify an address. This will help the education process and reservations to obtain proper information. **Rep. Mangan** is concerned with lines 16 and 17 and wants them to be amended and erased in their entirety.

Rep. Esp asked why he would want to amend the bill. **Rep. Mangan** replies by saying that it will stay more consistent with sections 13-203. The form complies with what sub-section one says. There are a few issues. Do you want the law to require this form to be used, because it currently doesn't require it. What should happen if they don't? **Eddy** doesn't know off the top of her head. **Rep. Esp** said that having your permanent address on the registration isn't a state-wide policy, and this bill stands for that procedure. He now believes that lines 16-17 are necessary to make the bill clear.

Rep. Laible is concerned that someone would turn in their registration, unaware that they filled it out wrong, making them ineligible to vote. This way it is the obligation of the clerk and recorder.

Rep. Peterson thinks the entire bill is unnecessary, under the current law, and needs to be worded differently.

Rep. Mangan said that he supports the amendment.

Rep. Lee said in her county, if you aren't registered properly, they will send the card back to you saying your not registered to vote.

Rep. Esp said that the other safeguard he has seen on forms is township and range methods. {Tape : 2; Side : A; Approx. Time Counter : 12.5 - 25.7}

Motion/Vote: REP. MANGAN moved that HB 80 BE AMENDED. Motion failed 2-16.

Rep. Younkin wanted to support the bill as it's written. It will let clerk and recorders know that they don't register someone if they don't have the information.

Rep. Peterson is speaking against the bill. He doesn't want to give the recorder an excuse to get rid of the card, but instead wants them to send it back.

Rep. Laible is speaking in support of the bill. It will streamline the process of finding permanent addresses and also give county clerks and recorders some sort of direction, which seems to be lacking.

Rep. Mangan urges the committee to be against the bill. He thinks the bill will have a negative effect by hurting voter registration and be detrimental to some voters. Secondly, it gives the power to obtain information without being registered to vote.

Rep. Newman is against the bill. He believes that the direction headed in the statute will also mandate that the election administrator will refuse to register these people, and doesn't want to lose voters as a result.

Rep. Esp said that counties vary in ways they deal with registration.

Rep. Younkin believes that there is procedure and statute if there is insufficient information. She thinks that the clerks and recorders will continue to do what is needed to get the proper addresses, and not just stop at that.

Motion/Vote: REP. MANGAN moved that HB 80 DO PASS. Motion carried 10-8 with Mangan, Himmelberger, Newman, Laslovich, Jacobson, Price, Peterson and Lee voting no. {Tape : 2; Side : A; Approx. Time Counter : 25.7 - 30} {Tape : 2; Side : B; Approx. Time Counter : 0 - 15}

EXECUTIVE ACTION ON HB 221

Motion: Rep. Younkin moved that HB 221 DO PASS

Motion/Vote: REP. YOUNKIN moved that HB 221 DO PASS. Motion carried 18-0. {Tape : 2; Side : B; Approx. Time Counter : 15 - 16.7}

ADJOURNMENT

Adjournment: 5:45 PM

REP. MARK NOENNIG, Chairman

PATI O'REILLY, Secretary

MN/PO

EXHIBIT (loh14aad)